

MICHIGAN COURT OFFICERS, DEPUTY SHERIFFS and PROCESS SERVERS' ASSOCIATON

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HB 4924, HB 5359, HB 5360. This bill package does not directly affect the general public, since only those Plaintiffs or clients who request or initiate the particular service pay the fee.

HB 4924

The fees in HB 4924 Sec. 2559 (1a) through (1q) while it appears like they are increasing, they are \underline{not} , LSB has them in bold as they are in effect now based on an increase in 2013, 2014, and 2015 see Page 3, Lines 24 - 26.

There are two new costs: subsection 1r and 1s. Section 1r is cost for taking, preparing and storing GPS verification when that service is requested by the Plaintiff. Section 1s is cost for taking, preparing and storing photo verification when that service is requested by the Plaintiff.

Many Plaintiffs are now requesting either GPS or Photo verification due to the Dodd-Frank Consumer Protection Act. The CFPB has strongly suggested that Plaintiffs request GPS and/or Photo verification for the service of civil process. Again, these fees are applicable <u>only</u> when requested.

HB 5360

The fees in HB 5360 were first established in 1961. Most them were last increased in 1963, except for Subsection 2p which was last increased in 1997, 2q in 1996, and 2s in 1997. Even with the proposed increase it does not cover the actual cost of the service provided. For example, 2h drafting an inventory. If you take the fee set in 1961 of \$1.25 and simply adjusted it for inflation it would be \$10.06 today and our proposed fee is \$10, which does not even take into account that the inventory today is more detailed and longer because people of more personal property than they did in 1961. In 1961 a deputy sheriff made \$4,961 a year, today the average salary of a deputy, including benefits, is \$45,000 to \$50,000 or \$21.64 to \$24.04 an hour, therefore, the hourly cost alone has increased over 800 percent. Unlike most businesses, when their costs go up they simply increase the price to the consumer, with civil process we are required to ask the legislator for the increases to cover those costs.

In 1961 a Sheriff's Mortgage Foreclosure Sale was simple, the bank did all the work and the Sheriff simply executed the deed. Today, that is much different, with the number of investors who now attend these sales it has created overbidding which greatly increases the amount of paperwork involved. In fact, many Sheriff Departments have contracted this responsibility out to small civil process companies as they simply cannot afford to have their staff do this work based on the revenue. While these small businesses can perform the services for less money than the Sheriff, they still have premiums for liability insurance, their public official bonds, and the wages of their staff to pay for.

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